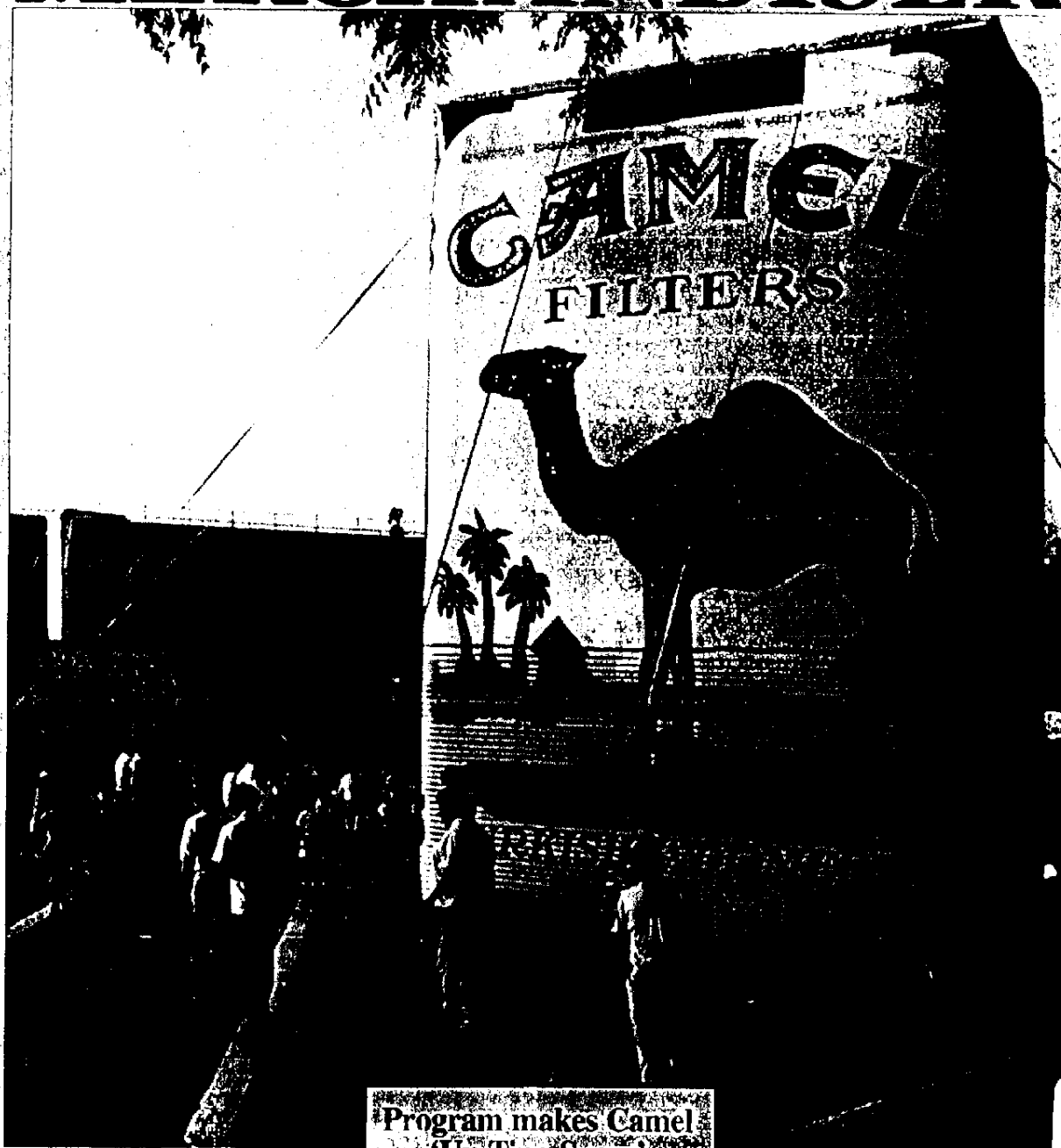


SALES

R.J. Reynolds Tobacco Co. / Sales Department / July-August 1989

MERCHANDISER



Program makes Camel
'Un Tipo Suave'
in Hispanic areas

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MEMO

Growth takes plans, execution

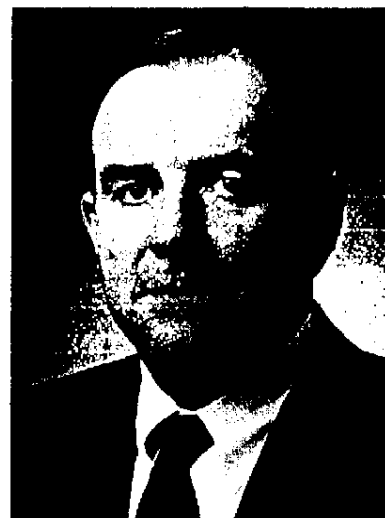
It takes a winning combination for our business to grow in a fiercely competitive retail environment. Winning a greater share of the cigarette market requires an aggressive, responsive marketing strategy, together with unfailing field sales execution. Each is equally important and vital to our success.

Aggressive marketing seizes the opportunity to capitalize on shifting trends in our business. For example, package sales today account for 44 percent of industry volume, compared with about 30 percent in the early 1970s.

For us, this opportunity translates into a strategy of total retail in-store presence, with increased emphasis on package sales. The path to RJR sales growth begins in package outlets where promotional displays and point-of-sale advertising stimulate trial of products like Camel, Magna, Doral and now Chelsea. Package trial leads to carton sales, which is still the lifeblood of our business.

Gaining smoker trial in package calls requires creative promotions that cut through the congestion at the point of purchase. Price-conscious smokers are attracted by such purchase incentives as buy-one-get-one-free offers, multiple-purchase offers and high-quality premiums. Such package-purchase incentives are an integral part of our in-store strategy for 1989 and beyond.

The second ingredient in our winning combination is field sales execution. The best strategic plan is only as good as its execution and in that essential aspect of performance, you are truly winners. Your



superb effort has produced excellent, business-building results from our Black-Initiative and Hispanic programs, our pack-action program and the implementation of the Preferred Presence Program in convenience stores.

Winning in the trenches doesn't happen by hitting the occasional home run. It requires a day-by-day, call-by-call determination to be the best, to serve the retail trade better than our competition does.

Based on your accomplishments so far this year, you are providing your share of our winning combination. Congratulations and keep up the good work.

Yancey W. Ford Jr.

Yancey W. Ford Jr.
Executive Vice President, Sales

ON THE COVER:

Giant inflatable packs alerted spectators at a recent boxing match in San Antonio that the event was sponsored by Camel. That message was reinforced by Spanish-language advertising, premium giveaways and sampling at the outdoor arena. A story on RJR's special Hispanic-marketing program in San Antonio and other key Hispanic markets begins on page 4.

SHORT CALLS



Who's been sitting in my chair?

Sales representative Terry Jones of the Nassau, N.Y., division tries out the chair of Yancey Ford, executive vice president, sales, while Ford and some of Jones' other colleagues from the North Atlantic sales area look on. More than 200 new sales reps came to Winston-Salem in June for the 1989 new sales rep orientation. The program included presentations by top executives on all phases of company operations and tours of Bowman Gray Technical Center, the Tobaccoville plant and sales offices in the Reynolds Plaza building.

RJR sales was good start for wholesaler

R.C. Taylor Wholesale Inc., an RJR account in Lubbock, Texas, recently celebrated 40 years in business. But the relationship of R.C. Taylor, the company's founder and president, with R.J. Reynolds Tobacco Co. goes back even farther than that.

Taylor has been on both the selling and buying ends of the cigarette business. Taylor was a Reynolds Tobacco sales representative in the 1940s, assigned to the area around Childress, Texas.

According to a brochure prepared for his company's anniversary, Taylor credits his RJR sales experience with giving him the people-handling skills and commitment (see 'Wholesaler,' page 14)

Smokers get tax messages inside cartons

RJR cigarette cartons will be helping to spread the word about cigarette excise taxes and how to oppose them effectively to millions of smokers over the next several months.

The public issues department of Reynolds Tobacco Co. has begun producing a new series of messages for smokers, printed on the inside of RJR cigarette cartons. The new messages, printed in red ink, encourage smokers actively to oppose any new federal cigarette excise tax increase by writing their congressmen.

Smokers are guided to the messages by headlines such as "Read about America's most unfair tax inside," "Inside . . . what anti-smokers are telling your congressman," and "Important tax message inside," printed on the carton flaps.

The messages explain the unfair burden of excise taxation that falls on smokers, how Congress is being pressured by anti-smokers to increase cigarette excise taxes (see 'Smokers,' page 14)

INSIDE...WHAT ANTI-SMOKERS ARE TELLING YOUR CONGRESSMAN

What the Anti-Smoker Lobby Is Whispering to Your Congressman

They're telling him to raise your taxes.

They're urging him to increase the tax you pay on every carton of cigarettes by 50%...100%...or even more!

They're saying that higher cigarette taxes are the easy way out of the budget crisis. They're reminding your Congressman that the smokers in his district seldom express their opinions to him. No matter how unfair it is to single out smokers for extra taxation.

They're telling your Congressman that smokers are an easy mark. They won't voice their concern. They won't call or write a single letter. That's what they're saying.

Now...what do you have to say?

Isn't it about time you told your Congressman and Senators

that cigarette taxes are already too high! And that you need their help to keep these unfair taxes from going any higher! Let the anti-smoker lobby know you know you support their efforts to keep cigarette taxes from being imposed on smokers.

Now is the time to speak out — loud and clear. Now is the time to write the elected officials in Washington, D.C. And to get the information on how to reach them, mail the coupon below. Call our toll-free number.

LEARN HOW YOU CAN HELP STOP HIGHER CIGARETTE TAXES.

CUT OUT AND MAIL THE COUPON TODAY OR CALL OUR TOLL-FREE NUMBER.

1-800-333-8683

Ask for Cathy

OR CUT ALONG DOTTED LINE, FILL IN AND MAIL TODAY.

✓ YES! I want to learn how to speak out against unfair cigarette taxes. Send me information that tells me what to do.

Name (Please Print) _____

Address _____

City _____ State _____ Zip _____

Mail to: R.J. REYNOLDS TOBACCO USA, P.O. BOX 950299, DALLAS, TX 75265-0299

Messages like these in cartons of RJR cigarettes, printed in red ink for emphasis, encourage smokers to oppose new federal excise taxes on cigarettes.



Joe, Camel's "Smooth Character," translates into Spanish as "Un Tipo Suave," a phrase with a meaning that is "more than macho."

'Un Tipo Suave' leads Hispanic program

Harold Velasco, a seasoned Reynolds Tobacco sales veteran, is getting a boost in his assignment from a new "partner."

"That 'Smooth Character' Camel is everywhere," he says, smiling broadly. "Look at the point-of-sale materials, the displays — we've created a whole new image for Camel. People are actually collecting the premiums we offer."

Velasco's assignment is in the northwest section of the San Antonio division. Dude ranches dot the foothills and spicy Texas-style barbecue is served in plentiful portions in small cafes in towns like Bandera and Heletos. It's a laid-back assignment where cowboy boots and hats

The teamwork of (from left) H.J. Heintz, San Antonio chain accounts manager; Luther Gann and Manny Funes makes the Hispanic program work.



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are common items of everyday wear.

Velasco presents a Camel door chime to a high-volume convenience store manager in Bandera. "Here's a high-tech item straight from Winston-Salem," he says.

The store is a showcase of Camel advertising, including permanent package displays and Camel promotional displays. Amused, the retailer looks at the door and says, "I guess it can replace the cow bell."

Because of the number of rodeo events held there throughout the year, the locals call Bandera the Cowboy Capital of the World. "I'm going to change that," says Velasco. "When I'm through, it's going to be the Camel Capital of the World."

The San Antonio division is a blend of rich western folklore with a proud Spanish heritage.

The urban area of San Antonio has a population of one million, 62 percent Hispanic. It is one of five divisions in the country that work the Hispanic program exclusively, division-wide, with Camel as the focus brand. The others are Miami; North Los Angeles; Corpus Christi, Texas; and Albuquerque, N.M. Across the country, 23 other divisions also work the Hispanic program, but only in Hispanic assignments within each division.

"The program concentrates its advertising and promotional thrust on the doors and counters of retail stores," says Andrew Hutchinson, assistant brand manager for Hispanic marketing. "We are also heavily involved in community activity like fiestas, concerts, and, where appropriate, localized sporting events."

Most of the Camel advertising is printed on both sides, with the English "Smooth Character" version opposite the Spanish "Un Tipo Suave." In Spanish, Hutchinson says, " 'Un Tipo Suave' conveys an image that is ultra-masculine, more than macho. It appeals to our target market." The English or Spanish versions or both may be used, depending on the retailer's preference.

Each month, sales representatives work a new Camel promotion. Promotional events include buy-one-get-one-free offers and a variety of quality premiums such as



Sampling and premium giveaways are important promotional elements at a concert sponsored by Camel in a Hispanic neighborhood of San Antonio recently.

hats and T-shirts to stir smoker interest.

Manny Funes, San Antonio regional manager, admits he was a bit wary at first of the heavy emphasis on Camel in the Hispanic program. "Three of my divisions are fully Hispanic markets and Winston is 13 percent of my business, compared with about 3 percent for Camel," he explains.

"But the results of this program speak for themselves," he adds. "I've gained a full share point on Camel at retail and lost nothing on Winston. We work a Winston carton promotion once each quarter and that's enough to sustain the brand while we capitalize on Camel's growth."

Being designated as a Hispanic division means that the San Antonio sales

(continued next page)



Store doors are a focal point for point-of-sale ads in the Hispanic program.

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(continued from page 5)

representatives place emphasis on smaller calls, particularly in the west end of the city, where 95 percent of the population is Hispanic. "Younger-adult Hispanics patronize local, small, neighborhood stores," says Funes. "That's where the business is and that's where we can make an impact with trial and conversion that sticks."

"We have so many stores selling 80 or so cartons per week, and we can go in with targeted promotions and get 40 to 50 percent of the business," says Luther Gann, San Antonio division manager. "Through our Hispanic program, we're doing something that the competition can't easily duplicate," Gann adds. "They can throw a lot of money around, but they can't match our execution at retail and our community involvement, thanks to the special markets group."

This marketing group was established in 1988 to capitalize on opportunities in black and Hispanic younger-adult markets. The Hispanic program employs five regional field marketing managers who report directly to marketing management in Winston-Salem.



With point-of-sale advertising placements like this one, Harold Velasco aims to make his assignment in the San Antonio area the "Camel Capital of the World."

"We work very closely with Romeo Perez, our marketing manager for San Antonio," explains Gann. "Since we know this market, we can advise him on possible participation in local Hispanic events."

"There's a difference in culture and interest among the Hispanic population, and we make sure we sponsor events that coincide with local customs and traditions," says Perez.

One such tradition is San Antonio's "Fiesta Week," held in April of each year, which draws a million people over a 10-day period. "We were able to sample 84,000 smokers at that event," he notes.

Traditional, upbeat Tex-Mex music is alive and well in Southwest cities like San Antonio, where Camel co-sponsors Tejano (Spanish for Texas) Thursday, a weekly outdoor concert. The event draws 3,000



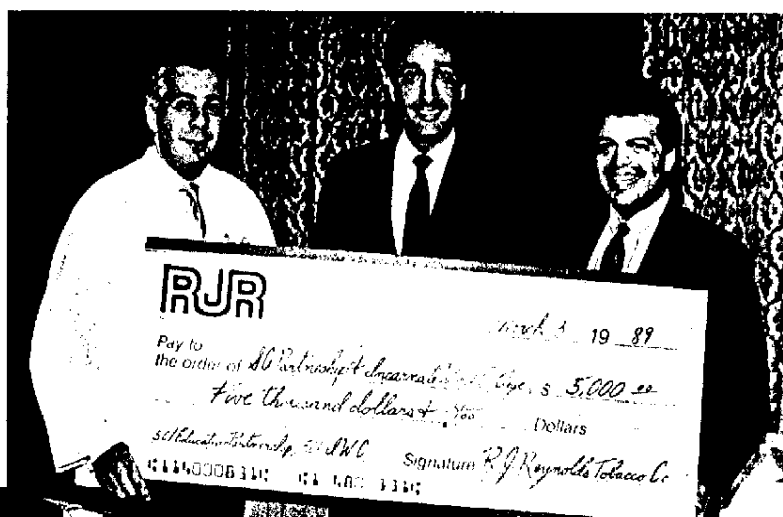
Entertainment at Camel-sponsored concerts ranges from traditional Spanish musicians to Hispanic-flavored rock artists like "Los Tall Boys," at right.



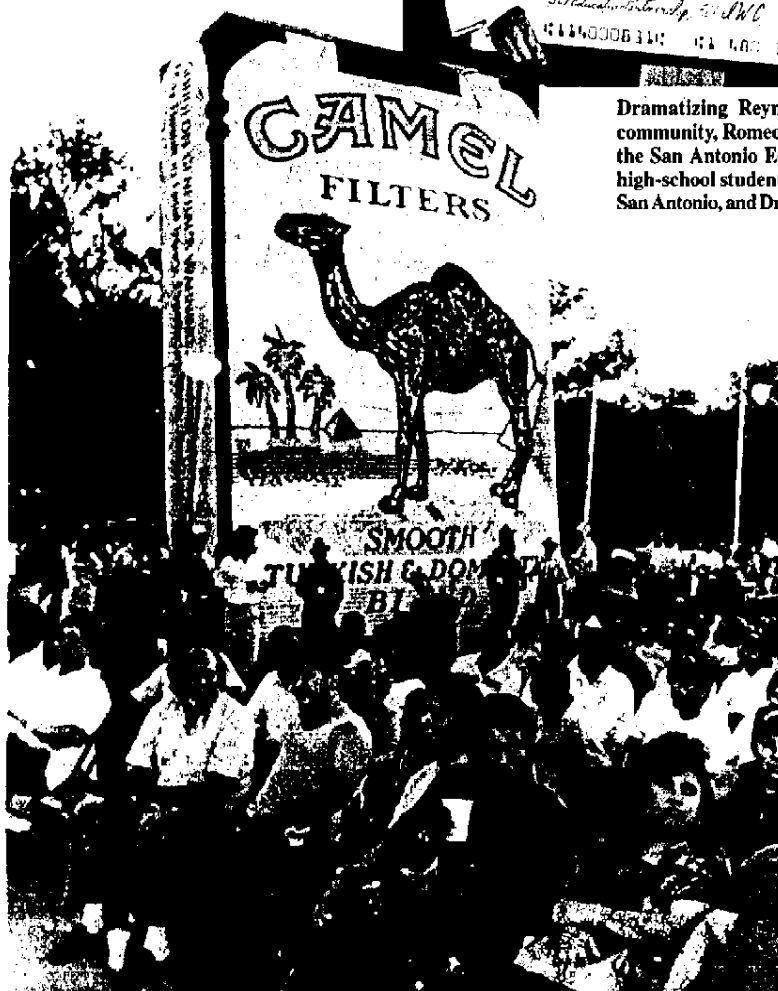
Camel advertising was prominently displayed for thousands of smokers at San Antonio's annual "Fiesta Week" in April.

to 5,000 people each week to dance to the rhythm of leading Hispanic bands. The Camel Video Van promotional vehicle is on the scene, and promotional reps distribute Camel samples, T-shirts and hats.

On another night, in an outdoor arena across town, a boxing ring announcer salutes Camel for sponsoring a card of five fights, including championship flyweight and bantamweight bouts. As they enter the arena, the 5,000 adult spectators are offered Camel samples and hats. The brand's presence is reinforced by the brightly painted Camel Video Van, a



Dramatizing Reynolds Tobacco's involvement in the Hispanic community, Romeo Perez (right, above) presents a \$5,000 check for the San Antonio Education Partnership, a program to encourage high-school students to stay in school, to Henry Cisneros, mayor of San Antonio, and Dr. Lou Ignese, president of Incarnate Word College.



Hispanic fight fans fill an outdoor arena in San Antonio for one of a series of Camel-sponsored boxing matches in a number of Texas cities this summer.

giant inflatable Camel pack and "Un Tipo Suave" banners that ring the stadium.

"These are our targeted smokers," says Funes. Gann adds, "This is a macho event and Camel fits the macho image — this is not a yuppie BMW crowd."

Company involvement in the Hispanic community extends beyond promotional events. The company recently contributed \$5,000 to the San Antonio Education Partnership. The money is used to encourage high school students to stay in school. Students who participate sign a commitment stating that they will maintain a grade average of 80 and a 95 percent attendance record.

While Funes is quick to credit the imagination and creativity of the Hispanic programs in his region, he also recognizes the importance of translating these programs to sales volume at the retail level.

"The events are great," says Funes, "but they have to show results at the cash register. In the final analysis, it's the sales reps working the displays and point-of-sale promotions who tie the whole thing together — they make the transition to retail possible."

SHORT CALLS

Safest drivers in sales share secrets

More than a century and a half of accident-free years behind the wheel have been compiled by the five safest drivers in Reynolds Tobacco sales.

The top five finishers in the 1988 safe driving award program have clocked a total of 158 years of driving without a chargeable accident — under conditions ranging from city congestion to open-road cruising, from the snows of North Philadelphia, Central Jersey and East Cleveland to the hot, dry winds of Oklahoma City.

The achievement of the safest drivers paced a year that saw the field sales force as a whole improve its driving record, says Larry Giddens, group manager — sales capital leasing. Though the total number of accidents involving sales employees increased from 749 in 1987 to 836 in 1988, the number of chargeable accidents remained the same, at 354, despite a substantial increase in the number of RJR sales vehicles on the road, Giddens says.

"The important thing is that even though we increased the number of vehicles we had on the road — and thus our exposure to accidents — by almost 22 percent, the total number of accidents increased by only 11.6 percent and the number of chargeable accidents didn't go up at all.

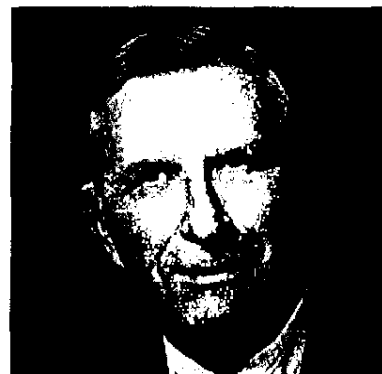
"That means the overall accident rate didn't go up but half what we might have expected," Giddens notes. "That's quite an accomplishment, considering that nationwide, traffic is getting heavier, and speed limits are going up."

Reynolds Tobacco awards each sales employee who completes an accident-free year a certificate and a keychain inscribed with the employee's total number of accident-free years. In 1988, 71 percent of the sales employees were honored, and 41 percent of the awards were for 10 or more years, Giddens notes.

"We just want all



R.L. Van Sickle



J.F. Lushis



J.L. Price



B.W. Sanford

our drivers to be constantly aware of the need to drive safely," Giddens says. "You get into a routine, you've got a lot on your mind, and pretty soon you forget to exercise that extra measure of alertness and caution." The company also distributes a monthly safe-driving tips brochure, Giddens notes.

The North Philadelphia division boasts two of the safest drivers, Division Manager R.L. Van Sickle, with 35 accident-free years, and Area Sales Representative J.F. Lushis, with 32 years.

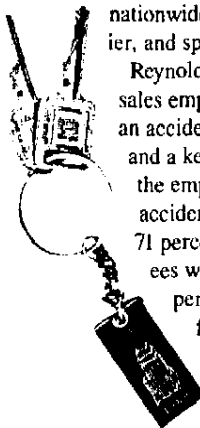
"We've got a little race going," jokes Lushis who, like Van Sickle, has clocked most of his accident-free miles in the greater Philadelphia area.

"I'm an optimistic person, but when you drive, you've got to anticipate the worst,"



Thaddeus Marczak

Lushis says. "You can't daydream behind the wheel — you've got to be prepared for the worst thing to happen at any moment." (see 'Drivers,' page 14)



VOLUME WINNERS



Racing tires became cigarette dispensers in this innovative display built by Sara Moricle.

Race is sales opportunity

For smokers who follow stock-car racing, Winston means Winston Cup, in cities all over the United States where NASCAR racing events are run. One of those Winston Cup racing capitals is Martinsville, Va., where Sales Representative **Sara Moricle** of the Roanoke, Va., division recently boosted Winston sales with an innovative Winston Cup premium promotion.

Tying in with a recent race weekend in

Martinsville, Moricle set up a 250-carton Winston display in the K-mart store, using stacks of racing tires as "dispensers" for the various brand styles. Smokers also received a free Winston Cup cap with each carton purchased.

During one eight-hour period, more than 100 extra cartons were sold, and the display drew an enthusiastic response from smokers throughout the weekend.

Chains accept RJR programs

Phoenix Special Accounts Manager **W.V. Nygaard** and Area Sales Representative **T.A. Kellerman** recently teamed up to present the RJR permanent counter display and continuous counter display programs to the 11-store Kwik Stop chain in the Phoenix area. RJR now enjoys a dynamic presence in the fast-growing chain, with permanent counter displays at the key cash-register position, Doral continuous counter displays and RJR package fixtures at all locations.

Always keeping a sharp watch for special sales opportunities, Nygaard and Phoenix Training and Development Manager **M.S. Davis** recently attended a Mobil Trade Fair show. They sold the RJR counter and promotional display programs to many Mobil gas/convenience store managers and owners from all over the United States.

Competing racks replaced in West Cleveland

Armed with the new RJR savings center consolidation program, West Cleveland sales reps are turning competitive savings centers into an endangered species in their assignments, reports Division Manager **D.A. Qualkinbush**.

West Cleveland management, including Training and Development Manager **J.D. Lucas**, Special Resources Manager **Bob Dobrowolski** and Special Accounts Manager **Ihor Miskewycz** recently helped sales reps coordinate an intensive campaign that resulted in elimination of 14 competitive racks, placement of 16 new RJR savings centers and program and equipment updates at 30 stores. RJR brands gained more than 1,100 new display rows with the changes.

Major merchandising victories were

won throughout the division area, Qualkinbush says:

- Miskewycz booted out the competition and placed RJR savings centers in five Country Counter supermarkets.
- Area Sales Representative **Mark Kurdzel** replaced competitive fixtures and placed new Flex and spring-load units and savings centers at Underwood's Market, Main-Way Markets, Grafton Sparkle, Giant Eagle, Fuhrman's IGA, K-mart, Gastown, Conley's Store and Mack's Food Locker.
- Area Sales Representative **Rom Romah** placed new or upgraded RJR fixtures and replaced competitive savings centers at Madison Street Market, Brownie's Market, Carl's, Dave's Discount, Rini's, Treasure Cove, Wise Shell

and Revco Drug Stores locations.

- Area Sales Representative **Bob Stredney** scored at Shield's IGA, Midview Drug, Rego's and Revco.

- Area Sales Representative **Shelly Trhlin** upgraded merchandisers at two Fox Drug stores, two Rini's locations, Gastown and Shell Food Mart, and placed a new Flex at K-mart.

- Sales Representative **Ron Ridenour** replaced a Philip Morris fixture with a new Flex unit at Northview IGA. Ridenour also placed RJR fixtures at the new Lorain Harbor IGA, and upgraded those at Rini's.

- Sales Representative **Bonnie Las-tovka** replaced the competition with savings center placements at CFM grocery, Farmer Boy and Ely Square Market.

VOLUME WINNERS

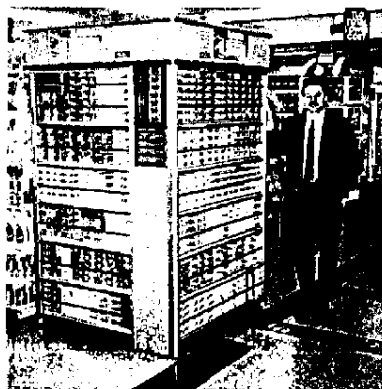
RJR teamwork wins in Kentucky

Real selling teamwork, together with superior fixtures and programs, recently combined to boot the competition and boost RJR inventory, display and sales in several high-volume outlets around Louisville, Ky.

Area Sales Representative **Mary Anne Terry** and Sales Representative **Mike Sullivan**, of the Louisville division, assisted by **L.C. Sheer**, then division training and development manager, sold Rite Stop Supermarkets on savings center consolidation and spring-load package merchandising. The two Louisville Rite Stop stores have combined sales of 2,600 cartons per week.

In each store, a spring-load island combination fixture was placed at the express checklane, replacing a total of 14 competitive savings centers. RJR savings-segment rows more than doubled, from 40 to 88 rows at each store, and RJR savings-segment inventory increased from 27 percent to 43 percent of the total, or an additional 240 cartons at each store.

Sales Representative **B.R. Browning** and Louisville Special Accounts Manager **T.W. Martel** teamed up to eliminate competing fixtures and restore RJR merchan-



Flex end-cap units were placed by T.W. Martel.

dising leadership in two high-volume independent stores in the Louisville area.

At Piggly Wiggly in Vine Grove, Ky., Browning and Martel placed two Flex end-cap units, including a spring-load combination fixture for savings brands and eight feet of self-service, spring-load merchandisers for full-price package sales. Package display rows increased from 240 to 285. And at Sav-U-Foods, they sold a Flex end-cap fixture for full-price brands, a consolidated savings center at the express checklane and eight feet of spring-load units. Savings-segment inventory increased from 24 percent to 39 percent of the total, and package display rows increased from 140 to 247.



Mike Sullivan and Mary Anne Terry sold Rite Stop Supermarkets on consolidation.

Stores 'star' in sales video

A creative and resourceful RJR seller recently used a hit video to sell a super-market chain on exclusive RJR package and carton merchandising. The video was not of a hit song or movie, however, but "starred" the chain's own stores.

Area Sales Representative **J.J. Girard** of the St. Paul, Minn., division was preparing a presentation to Erickson Foods, a 14-store chain in northern Wisconsin, when he had an idea: Use video as a graphic, high-impact way to present the advantages of RJR merchandising for the chain's stores. Girard shot video footage of each store, accompanied by his narration of recommendations for RJR merchandising at each location.

The video was a real "hit" with Erickson Foods' managers. They were so impressed that they approved all of Girard's recommendations, and authorized even larger expansions of some cigarette departments.

Omaha chain has new units

State-of-the-art cigarette merchandising, with consolidated savings brands and combined package and carton fixtures, has arrived at the 14 Food-4-Less stores in the Omaha, Neb., area.

Omaha division Special Accounts Manager **Bob Greenfield** sold the chain on the spring-load combination package-carton unit, greatly improving package merchandising and consolidating savings-segment sales throughout the chain. All competing savings centers have been removed, and Doral has gained at least 24 display rows in each store.

VOLUME WINNERS



Schnuck's Supermarket savings department was enlarged by W.E. Surman.

Doral program scores volume gains

The new Doral shelf contract is proving to be an effective tool in gaining additional display rows and an enhanced sales presence for RJR's savings-segment leader. A good example is the multi-state area covered by the successful sellers of the Paducah, Ky., division.

Paducah reps used the new Doral contract to sell retailers on expanding their savings departments, adding a total of 2,156 Doral rows during one recent two-month period, reports Paducah Division Manager J.R. Acord. A division-wide gain of about 30 percent in rows, to a

grand total of more than 12,000, is anticipated, Acord says.

The program has been especially well received in the high-volume border stores and by independent retailers in western Kentucky, southern Illinois and southeast Missouri, he notes.

The experience of Area Sales Representative W.E. Surman has been typical: Surman sold the new contract and enlarged the savings departments in two of his key accounts in Cape Girardeau, Mo., adding 47 Doral rows at Schnuck's Supermarket and 22 rows at Sav-A-Lot.

Pick 'N' Save picks RJR units

Determination and the proven appeal of RJR merchandising fixtures and programs are gradually winning over the eight-store Pick 'N' Save chain of central Ohio.

Following a series of persistent and persuasive presentations by Training and Development Manager Brian F. Coleman of the Columbus, Ohio, division, the Zanesville, Ohio, Pick 'N' Save recently became the second store

of the group to convert totally from Philip Morris to RJR fixtures. Units adopted include the Flex end-cap carton merchandiser and the spring-load combination fixture for packages and savings brands.

"We are very confident that the remaining six stores will be converted to RJR fixtures in the near future," says Columbus Division Manager N.W. McCleary.

Merchandising is upgraded for summer

Successful sellers in resort areas all over the country have been helping their accounts capitalize on opportunities for increased seasonal sales by upgrading their merchandising fixtures and programs. Area Sales Representative S.C. Veilleux of the Portland, Maine, division is one good example.

One of Veilleux's key accounts is George's Market in the mountain resort town of Skowhegan, Maine. George's is a high-volume retailer with average sales of more than 500 cartons a week, increasing to more than 700 cartons a week during the summer months.

Veilleux helped George's get ready for the summer season this year by implementing the new RJR consolidated savings center program and placing new RJR spring-load package fixtures. Several competing savings centers and package units were sent on permanent "vacation" in the process.



S.C. Veilleux placed new RJR fixtures at George's Market in Skowhegan, Maine.

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VOLUME WINNERS



These RJR units, placed by Area Sales Representative J.E. Hoagland of the Rochester, N.Y., division, replaced competing fixtures at Harris Shopwise in Angelica, N.Y.

Rochester reps place fixtures

The successful sellers in the Rochester, N.Y., division recently rose to a challenge posed by Division Manager **Lori E. MacWilliams**: Enhance RJR merchandising leadership by selling all accounts on the latest improvements in merchandising fixtures and programs.

With implementation and execution of programs coordinated by Special Accounts Manager **D.G. Ciprich** and Training and Development Manager **D.W.**

Clephane, the Rochester reps recorded a number of impressive accomplishments: They replaced seven Philip Morris carton fixtures with RJR Flex units; replaced nine PM package fixtures with RJR spring-load merchandisers; sold five key accounts on converting from non-self-service sales to self-service Flex merchandising; and placed 56 electronic-security units.

A number of outstanding individual achievements were recorded by the Rochester reps:

- Area Sales Representative **R.P. Laboda** led in knocking out the cowboy's carton fixtures with Flex placements at Big M locations in Newark, Lyons and Palmyra, N.Y. Laboda also led the way in self-service conversions, placing self-service Flex units in two supermarkets.

- Area Sales Representative **K.M. Tamburro** won the "top consolidator" crown by replacing 15 competing savings centers with RJR units in five key accounts.

- Consolidation also helped Sales Representative **S.G. Seidel** post a record increase of 244 RJR savings-segment display rows in her assignment

- Sales Representative **T.P. McShane** led the way in eliminating PM package racks, placing RJR spring-load units in four high-volume accounts.

Michigan chain boots cowboy

RJR is enjoying a real "glow" of success — and leaving the competitive Philip Morris cowboy in the dark — around Grand Rapids, Mich., thanks to the hard work, persistence and selling skills of Area Sales Representative **Jerry Glowe** of the Grand Rapids division.

The management of the seven-store Village Markets chain — a major, high-volume account with average weekly sales of 450 cartons per store — invited Glowe to survey six locations (the seventh is being remodeled) and make recommendations on savings centers and package merchandising. The chain was using RJR merchandising, but had just received a proposal from PM to replace RJR fixtures.

Glowe carefully surveyed each location and made a detailed, store-by-store presentation to chain management. Village Markets adopted all of Glowe's recommendations for RJR merchandising, totally rejecting the cowboy's proposal.

Price sells Doral in C-store chain

Kansas City, Kan., Division Manager **Ken Hayner** recently exercised his creative skills and ingenuity to come up with distinctive Doral price signage for the T.J.'s Quick Shop convenience chain in the Kansas City area.

Hayner used advertising sheets imprinted with the T.J.'s logo as a background for cigarette window-banner advertising, creating an appearance unique to the chain. Hayner rounded out the RJR impact package by placing exclusive Camel push/pull and business-hours signs and RJR digital clocks at each location.

Market buys Flex units

RJR merchandising is "O.K." at Poteau Food Market in Poteau, Okla., thanks to the determination and selling skills of Area Sales Representative **R.D. Eagan** of the Tulsa, Okla., division.

Eagan recently converted the market into a showcase of RJR merchandising, eliminating a number of competitive fixtures. Eagan placed a Flex end cap for Doral and other savings brands, another Flex end cap for full-price brands and three universal package merchandisers for package sales.

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VOLUME WINNERS

RJR wins big shootout in gas chain

Selling skill and determination have won a more dynamic position for RJR merchandising in the Akron, Ohio, area.

Akron Division Manager **Faith M. Decker** and Special Accounts Manager **A.N. McLaughlin** beat the Philip Morris cowboy to the draw in a merchandising shootout in a major gas/convenience chain.

And **D.A. Beach**, area sales representative in the Akron division, proved money is not the only factor retailers consider when selecting merchandising systems.

Decker and McLaughlin used the Preferred Presence program to maintain RJR merchandising leadership in the 54-store Fuel Mart chain. PM had

offered promotional dollars and free employee uniforms advertising Cambridge, in an effort to corral Fuel Mart's business.

Decker and McLaughlin countered by selling Fuel Mart on implementing Preferred Presence at high-volume locations.

As Decker explains, "With the additional profit from staying with RJR, they can buy their own uniforms and still make more money."

Beach capitalized fully on the new Doral Savings Center consolidation fixture and program in Geyers Food Stores, a six-store chain in the Akron area with average sales of 900 cartons a week. Beach sold the Doral program at all six locations, replacing 16 competing savings centers.

Beach also beat back a Philip Morris attempt to replace RJR package units with a fixture and display plan that would have been more lucrative to the retailer. Based on RJR's track record of fixture and program sales and profitability, he sold Geyers on placing new spring-load RJR package units in five of the six locations.



Preferred Presence Program maintained a strong RJR presence in the Fuel Mart chain.

Combination program kayos competition

The RJR combination merchandising program is delivering a deadly combination punch to knock out competitive fixtures in stores all over the country. One example is Swifty Food Mart in New Albany, Ind., recently "Reynolds-ized" by Louisville, Ky., Senior Chain Accounts Manager **Duncan Murley**.

The cowboy had enjoyed merchandising superiority at Swifty, right down to the PM clock on the wall. But with persistent selling and superior fixtures and programs, Murley put the cowboy to flight.

A pair of custom-built combination pack and carton units replaced a PM overhead, and two wood Flex fixtures replaced two PM System 2000 units. Even the cowboy's clock got the boot, replaced by an RJR clock menu unit. A 120-pack permanent counter display and an eight-tray continuous counter display for savings brands completed Murley's RJR merchandising sweep at Swifty.



Duncan Murley converted Swifty Food Mart from Philip Morris to RJR merchandising.

SHORT CALLS

Smokers get messages

(continued from page 3)

and what smokers can do to make themselves heard on the issue.

Smokers who mail in the coupon or call the toll-free number that appears with each message will receive an information packet to help them communicate their views on cigarette taxation more effectively to their congressmen. Sales employees who write in or call should identify themselves.

Messages will be printed on about one quarter's average production for each brand style, except for brands and styles in test market. Messages will appear on styles of all major brands beginning in the third quarter, and continuing during the rest of 1989 and next year.

IMPORTANT TAX MESSAGE INSIDE

How Can 50 Million Smokers Make Themselves Heard? ONE ... by ONE ... by ONE



Fifty million smokers. That's more Americans than voted President Bush into the White House.

Seems like all those smokers should be heard loud and clear in Washington, D.C. But they're not. Because individual smokers haven't spoken out in the past.

And that's too bad. Because ardent anti-smokers are pressing Congress for big increases in your cigarette tax. Tax hikes that could add \$100 OR MORE A YEAR to the already high and unfair tax bill paid by each and every one of America's more than 50 million smokers.

Unless smokers like you speak out -- ONE, by ONE, by ONE -- ENOUGH. That cigarette taxes are already too high. That you're counting on them to hold the line against the anti-smoker lobby. Let those who oppose higher cigarette taxes know you support their efforts to keep any new tax increases from being imposed on smokers.

It's important that you speak out NOW. Write to your elected official in Washington, D.C. If you'd like information on how to contact them, mail the coupon below, or call our toll-free number.

LEARN HOW YOU CAN HELP STOP
HIGHER CIGARETTE TAXES.
CUT OUT AND MAIL THE COUPON TODAY
OR CALL OUR TOLL-FREE NUMBER.

1-800-333-8683

Ask for Ann

OR, CUT ALONG DOTTED LINE
FILL IN, AND MAIL TODAY

☒ **YES!**

I want to learn how to speak out against unfair cigarette taxes. Send me information that tells me what to do.

Name (Please Print) _____

Address _____

City _____

State _____

Zip _____

Mail to R.J. REYNOLDS TOBACCO USA, P.O. BOX 850293, DALLAS, TX 75285-0293

Messages explain how smokers can make themselves heard on the cigarette excise tax issue.

Drivers

(continued from page 8)

"You have to drive defensively," Van Sickle says. "You've got to pay attention to the other driver, expect the unexpected and leave him room for it. You also have to be alert at all times to the different rules of every section of roadway."

J.L. Price, an area sales representative in the East Cleveland division, says he

"just took it one day at a time," on his way to 32 safe years behind the wheel.

"You've got to keep your eyes and ears open," Price advises, "especially when you back up."

Thaddeus Marczak, an area sales representative in the Central Jersey division, and Oklahoma City Regional Sales Manager B.W. Sanford share the distinction of 30 accident-free years.

Marczak says he has no "secret" to explain



his enviable safety record, compiled mostly in the greater Philadelphia urban area. "It's just a matter of being extra-careful, all the time," he says.

"You've got to drive defensively and be patient in traffic, especially with the other drivers around you," Sanford says.

Wholesaler was RJR rep

(continued from page 3)

to service that made his own business successful. Investments in Reynolds Tobacco stock also provided the capital needed to start the venture, Taylor added.

Taylor Wholesale opened in March 1949. Based in a 30,000-square-foot facility in Lubbock, the company now sells tobacco products, candy and concession items, church and school supplies and health and beauty aids.

'Outsiders' nab trophy

Each year, the Houston region sponsors a softball tournament for employees and family members from divisions in the Houston region. The San Antonio division, 300 miles to the west, is traditionally the only "outside" division invited to the annual event. This year, the "outsiders" won the tournament and carried away the trophy, displayed proudly here by Division Manager Luther Gann. "Just wait until next year," says the Houston region, in the best spirit of RJR rivalry and camaraderie.



PROMOTIONS & APPOINTMENTS



D.L. Stein has been promoted to senior chain accounts manager in the Lubbock, Texas, chain division.

Stein joined the company in 1969 as a sales representative in the Oklahoma City division, where he was promoted to area sales representative in 1971. Stein was promoted to assistant division manager in the Springfield, Mo., division in 1978 and to division manager in the Paducah, Ky., division in 1982. He was promoted to chain accounts manager in the Lubbock division in 1985.



G.L. Belcher has been promoted to chain accounts manager in the new Tampa, Fla., chain division.

Belcher joined the company in 1972 as a sales representative in the Miami division, where he was promoted to area sales representative the following year. Belcher was promoted to assistant division manager in the Jacksonville, Fla., division in 1976 and was promoted to division manager in the Birmingham, Ala., division in 1978.



C.S. Huff has been promoted to chain accounts manager in the new Orlando, Fla., chain division.

Huff joined the company in 1970 as a sales representative in the Louisville, Ky., division, where he was promoted to area sales representative in 1972. Huff was named area manager - merchandising in the Atlanta chain division in 1978 and was promoted to assistant division manager in the South Atlanta division the following year. Huff was promoted to division manager in the Knoxville, Tenn., division in 1981.



S.R. Karambelas has been appointed chain accounts manager in the new North Chicago chain division.

Karambelas joined the company in 1979 as a sales representative in the Sacramento, Calif., division, where he was promoted to area sales representative the following year. Karambelas was promoted to assistant division manager in the Oakland, Calif., division in 1982 and was promoted to division manager in the Wichita, Kan., division in 1984. He was promoted to sales training-vending/military manager for the Mid-Western sales area in 1987.



M.K. Davern has been promoted to division manager in the Birmingham, Ala., division. Davern was special resources manager in the Atlanta region.



D.O. Holt has been promoted to division manager in the Hawaii division. Holt was assistant division manager in that division.



Lucinda C. Sheer has been promoted to division manager in the Covington, Ky., division. Sheer was training and development manager in the Louisville, Ky., division.

To assistant division manager: **Paul D. Stromgren**, Duluth, Minn., division.

To division special accounts manager: **Jay J. Girard**, St. Paul, Minn., division; **John J. Kerigan Jr.**, Tampa, Fla., division; **David T. Parnell**, Covington, Ky., division; **Reese P. Stanley**, Orlando, Fla., division; **Teresa A. Weltzin**, Milwaukee division.

To division training and development manager: **Douglas G. Bauer**, Charlotte, N.C., division; **Terry L. Casabella**, Louisville, Ky., division; **Sharon S. Cordell**, Covington, Ky., division; **T.D. Haneline**, Orlando, Fla., division; **Michael N. Miller**, Flint, Mich., division; **Steven F. Olkowski**, Milwaukee division.

To distribution assistant - traffic and distribution: **Ronald G. Moser**, home office.

Within each of us lies the potential for greatness.

Despite an education that ended in the seventh grade, George Eastman transformed his fascination with amateur photography into one of the largest and most successful manufacturing companies of its kind in the world—the Eastman Kodak Company.

Even against insurmountable personal and financial odds, Eastman never quit. Instead, he laid the foundation for our modern system of photography and gave generations memories that will endure throughout time.

Like Eastman, you can achieve greatness too. With foresight and determination, you can realize your maximum potential—regardless of life's setbacks. Keep your sales standards high and work hard. The reward is well worth the effort.

George Eastman
(1854-1932)



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SALES MERCHANDISER

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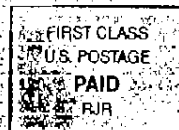
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